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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---|---|---|---|---|
| 09/731,772 | 12/08/2000 | Robert Baseman | YO9-99-495 | 1174 |

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| EXAMINER |
|---|
| O CONNOR, GERALD J |

| ART UNIT | PAPER NUMBER |
|---|---|
| 3627 | 6 |

DATE MAILED: 04/07/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

| Application No. | Applicant(s) |
|---|---|
| 09/731,772 | Baseman et al. |
| **Examiner** | **Art Unit** |
| O'Connor | 3627 |

*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --*

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *three* MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1) ☒ Responsive to communication(s) filed on *January 8, 2003 (Amdt "A")* .

2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

**Disposition of Claims**

4) ☒ Claim(s) *1-12* is/are pending in the application.

4a) Of the above, claim(s) *none* is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-12* is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claims _____ are subject to restriction and/or election requirement.

**Application Papers**

9) ☐ The specification is objected to by the Examiner.

10) ☒ The drawing(s) filed on *March 19, 2001* is/are a) ☒ accepted or b) ☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.

If approved, corrected drawings are required in reply to this Office action.

12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) ☐ All b) ☐ Some* c) ☐ None of:

1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____ .
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

*See the attached detailed Office action for a list of the certified copies not received.

14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

a) ☐ The translation of the foreign language provisional application has been received.

15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____
4) ☐ Interview Summary (PTO-413) Paper No(s). _____
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other:

## DETAILED ACTION

### *Preliminary Remarks*

1. This Office action responds to the amendment and arguments filed by applicant on January 8, 2003 (Paper Nº 5) in reply to the Office action mailed October 8, 2002.

2. The amendment of claim 1 by applicant in Paper Nº 5 is hereby acknowledged.

3. The revisions to the specification made by applicant in Paper Nº 5 are hereby acknowledged.

### *Information Disclosure Statement*

4. The listing of references in the specification is not a proper information disclosure statement. 37 CFR 1.98(b) requires a list of all patents, publications, or other information submitted for consideration by the Office, and MPEP § 609 A(1) states, "the list may not be incorporated into the specification but must be submitted in a separate paper." Therefore, unless the references have been cited by the examiner on form PTO-892, they have not been considered.

### *Claim Rejections - 35 USC § 102*

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless --
>
> (a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Apparatus claims 10-12 are rejected under 35 U.S.C. 102 as being clearly anticipated by the admitted prior art, as described in the written specification. Note that, in making this rejection, the nature of the particular portfolio/inventory of assets being evaluated has been deemed merely an intended use of the claimed invention, hence, afforded little patentable weight.

### *Claim Rejections - 35 USC § 103*

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

8. Method claims 1-9 are rejected under 35 U.S.C. 103(a) as unpatentable over the admitted prior art, as described in the written specification.

The admitted prior art, as described in the written specification, clearly indicates that the instant invention as a whole involves no new financial formulae or analytical techniques. See, for example: page 3, lines 8-9, "It is therefore an object of the present invention to enable firms to use existing financial asset portfolio management tools to manage their inventory;" lines 10-11, "This invention enables companies to calculate optimal inventory quantities using a technology that already exist in the field of finance;" and, lines 23-24, "This invention enables firms to use well established portfolio management tools that are developed in finance industry in managing their inventory." The instant invention lies in using a computer to apply these known manual analytical techniques to simply solve a known math problem concerning the valuation of assets, possibly wherein the assets are physical assets of an inventory/portfolio (such as cars stored in a warehouse) instead of financial assets of an inventory/portfolio (such as the titles of the cars in the warehouse or the deed to the warehouse itself).

The instant invention claims "converting" the asset valuation problem from one type of problem for an "inventory" to another type of problem for a "portfolio," but no "conversion" is actually performed at all. The "conversion" comprises simply using/applying one set of known formulae/techniques allegedly preferred for "portfolios" instead of using another set of known formulae/techniques allegedly preferred for "inventories." No actual "conversion" is performed because there is no patentable distinction between a "portfolio" and an "inventory." Both terms comprise a collection of assets. Nor is anything done to the problem to actually effect any converting, the sole extent of "conversion" merely comprising applying a different set of

formulae/techniques than would allegedly otherwise be applied. To the extent that "portfolio" implies the the assets are "financial assets" and "inventory" implies the assets are "physical assets," physical assets and financial assets are considered a substitution of art-recognized equivalents for purposes of valuation problems, thus, an obvious substitution to make in applying well known analytical formulae/techniques to the solution of a well known mathmatical problem concerning the valuation of assets. Regarding the use of a computer to perform the known analysis/techniques/solution for valuing the assets, it has been held that simply providing a mechanical or automatic means to replace manual activity which has accomplished the same result involves only routine skill in the art. *In re Venner*, 120 USPQ 192.

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to have modified the method of the admitted prior art for evaluating financial assets, so as to perform a substitution of art-recognized equivalents and evaluate physical assets instead, as well as to use a computer to perform the known financial asset valuation formulae/techniques, in order to rapidly and efficiently provide the management of a company with an accurate assessment of the value of the company's physical assets, since so doing could be performed readily and easily by any person of ordinary skill in the art, with neither undue experimentation, nor risk of unexpected results, simply as a matter of design choice, and because it has been held that simply providing a mechanical or automatic means to replace manual activity which has accomplished the same result involves only routine skill in the art. *In re Venner*, 120 USPQ 192.

***Response to Arguments***

9. Applicant's arguments filed January 8, 2003 have been fully considered but they are not persuasive.

10. The arguments regarding the previous prior art rejection has been considered, but have been rendered moot by applicant's amendment, and the consequent new grounds of rejection.

***Conclusion***

11. The prior art made of record and not relied upon is considered pertinent to the disclosure.

12. Applicant's amendment necessitated any new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL.** See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

13. Any inquiry concerning this communication, or earlier communications, should be directed to the examiner, Jerry O'Connor, whose telephone number is (703) 305-1525, and whose facsimile number is (703) 746-3976.

4/3/03

Kenneth R. Rice
Primary Examiner

GJOC
March 25, 2003